

Document 00910

ADDENDUM NO. 3

Date of Addendum: 12-22-08

PROJECT NAME: Design, Build and Operate a 10 MW Solar Facility

PROPOSAL SUBMITTAL DATE: **January 13, 2009**

FROM: City of Houston, General Services Department
900 Bagby, 2nd Floor
Houston, Texas 77002
Attn: Phil Golembiewski, P.E., City Engineer

TO: Prospective Proposers

This Addendum forms a part of the Request For Proposals (RFP). Insofar as the original RFP and this Addendum are inconsistent, this Addendum governs.

CHANGES TO RFP

General – The use of the George Bush Intercontinental Airport (IAH) as a proposed site has been eliminated; ignore all references to it in RFP. There are only two locations being proposed and noted herein as follows:

- **Site 1** = Sunnyside/Holmes Road bounded on South by Reed Road, East by Comal Street, West by HWY288, and North Belfort Street.
- **Site 2** = East Water Purification Plant (EWPP) @ 2300 Federal; see attached **site plan** for proposed location on the northwest 97 + 40 acres parcel.

RESPONSES TO QUESTIONS

1. Compact Disc (**CD**) of 318 Page, TERRACON Consulting Scientists Engineers "Environmental Site Investigation of Former Holmes Road (aka Sunnyside) Landfill, Houston, Harris County, Texas" dated September, 2006, is available for your use.

A CD has been made available for you to pick up from our Receptionist, located on the Second Floor, 900 Bagby, Houston, TX 77002.

2. Will the successful contractor be responsible for the property taxes on the utilized property, including the level paid presently on the undeveloped land?

Response - Nothing paid on undeveloped; yes to taxes on improved land, i.e., the improvements only.

3. Can you please provide us the Appraisal District property id's for each property?

Response - Site 1 = 0520470000001; and Site 2 = 0402460000038.

4. Can we assume that a lease agreement with the City of Houston and any of the properties will represent a typical \$1 rate, given any cost of lease will simple increase the cost to the project?

Ans. = Yes.

5. Should we assume that any scrapings or "spoils" from the development of the site will be required to be hauled off the property and may not be left on the premises?

Ans. = Yes.

6. Will we be provided access to water at the sites, with the assumption that we will reimburse against our usage?

Ans. = There isn't any available at Site 1. At Site 2, the selected location for the project will determine the availability of water.

7. Can we provide an option for a 25 year PPA agreement in addition to the required 20 year PPA agreement term?

Ans. = Yes.

8. Can we provide both non-escalating and escalating rate options for the PPA agreement?

Ans. = Yes.

9. Are there any wetland designations on any of the properties?

Ans. = No.

10. Is a Performance or Payment Bond required for the project?

Ans. = Yes.

11. Is a bid bond required for this project?

Ans. = No.

12. Does the City of Houston have prevailing wage guidelines they would like us to utilize?

Ans. = Yes.

13. Can we assume that an interconnect agreement with ERCOT will not be requirement along with our submission, but only as a result of award?

Ans. = Yes.

14. Can we assume that all products utilized should be UL approved?

Ans. = Yes.

15. What is the physical address for the water treatment plant so we can look it up on Google?

Response – It's 2300 Federal; see attached site plan.

16. Is there any preference of one site over the other?

Ans. = No.

17. Can you confirm that the City-owned treatment facility has at least 10 MW of onsite load?

Ans. = Yes.

18. Who is the proposed contractual counterparty for a PPA? City of Houston, the onsite facility? Or the Texas General Land Office as mentioned in the site assessment for the landfill site.

Ans. = The City of Houston will be the counterparty at Site 2. For Site 1 or any other location requiring interconnection with the ERCOT system, the counterparty will be the Texas General Land Office initially.

19. Is there a model contract (PPA) available for us to review? If so, please provide.

Ans. = No.

20. What is the current zoning of each of the proposed sites? Is the zoning consistent across each of the proposed sites?

Ans. = There isn't any in Houston.

21. Has any permitting or permitting assessment been performed for any of the proposed sites

Ans. = No.

22. Have any additional site studies been done for each of the sites

Ans. = No.

23. Are model leases for any of the proposed sites available?

Ans. = No.

24. Do you have any coordinates / address of the airport site?

The Airport site has been removed from this RFP.

25. How do I get overheads and addresses of the 3 sites and more environmental descriptions, I would like to view and walk the sites this week or next week.

Response - Site 1 = See CD; and Site 2 = P.O.C. is Ricky Deleon @ EWPP via Yvonne Forrest @ 713-504-7294.

26. Are there any additional federal contacts/permits/approvals necessary for any proposed development at the airport?

See response to question 24.

27. Can you please provide drawings of the three sites including areas allowed for solar array installation, topography, dimensions (survey's on file), any easements and any soil tests (within the past year) on file?

Response - Site 1 = See CD; and Site 2 = P.O.C. is Ricky Deleon @ EWPP via Yvonne Forrest @ 713-504-7294.

28. Will the City of Houston assist in achieving tax abatements for the improvements on the property, not already covered by the State of Texas exemption?

Response – The City will work with the selected respondent to achieve the most economically attractive project possible. This could include additional tax abatement however the City cannot comment on the specifics at this time.

29. Should we assume that at the end of the 20 year term you want us to price in the removal of the solar power system and return of the property to reasonable condition (without re-sodding or re-treeing the property)?

Ans. = Yes.

30. Not used.

31. Will the successful contractor be required to do environmental impact studies on any of the properties?

Response – The successful contractor will required to do all environmental impact studies required by TCEQ or any other regulatory authority of competent jurisdiction.

32. Can you please provide load profiles for the water treatment and airport sites?

Response – See attached load profile for EWPP, i.e., 2500 Federal EE Bills.

33. Where are the existing power interconnect points (sub-station, motor control center, main or sub-main power interconnects, incoming utility connection)

Response - @ Site 2 – Interconnect point is SW of treatment trains on Federal Road.

34. What is the voltage at each potential tie point?

Ans. = At Site 1 – 12 KV lines on perimeter of site; and 138 KV transmission line ~ 4 miles south. At Site 2 – propose tying into 4180 bus behind switchyard.

35. We have not been able to find site specific information regarding the Sunnyside Landfill and EWPP facility sites as noted in your Solar RFP

Response - Site 1 = See CD; and Site 2 = P.O.C. is Ricky Deleon @ EWPP via Yvonne Forrest @ 713-504-7294.

36. Water Treatment Plant (EWPP) - Can you identify which specific piece of property is available for the PV array? We are estimating 75 acres for the crystalline panels and 150 acres for the thin film version. From this location, how far is it to the nearest utility tie in point? Is this point of connection a substation, control room etc? What voltage would the utility tie in be? (12.4 KV or 4160 etc.)

Response – There are two likely tracts within the perimeter of the Site 2 that could be used for project development. They are the 97 acre and 40 acres tracts identified on the attached site plan of the facility. As indicated above, it is anticipated that the point of interconnection will be the 4180 bus behind the switchyard.

37. Please provide 24 months of historical usage data for each electric meter and the meter type (primary, secondary >10kVA, etc.).

Response – See attached load profile for EWPP.

38. Please provide details on contract arrangements with GLO that allow the Bidder to provide electricity to the COH via a PPA with the GLO.

Response – By the terms of its agreement with the GLO, the City may direct the GLO to purchase up to 80 MW from third party providers on its behalf under terms to be negotiated between the City and the designated third party provider.

39. Can you provide Electronic mapping of the pertinent interconnect points, IE : power line overview / visual, has any interconnect feasibility study been performed on the lines at the 3 sites

Ans. = No.

40. Would there be any current preference/advantage to “overdeveloping” the loads above 10MW for future City needs?

Response - The City is seeking the most cost effective energy supply possible from the proposed facility. To the extent over sizing the facility produces economies of scale that will reduce present cost and afford the City the opportunity to purchase further supply (at its sole discretion) at a later date, respondents are encouraged to explore this option.

41. In the pre-bid conference, it was conveyed that bidders can propose a phase-in of the 10 MW for the project. Is there a minimum number of MW that the City would like to have online by the end of 2010?

Ans. = 5 MW.

42. Can you provide current credit ratings for the Texas GLO and the City of Houston?

Response – Texas GLO is AA.

43. Can you please provide your most current bond ratings by Moody's and S&P?

Response – S&P = AA; Moody = Aa3; and Fitch = AA-.

44. Page 5 of the EPA report from SRA mentions the use of panels supplied by Applied Materials.

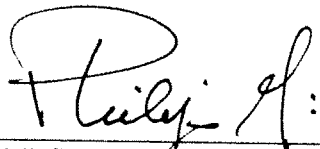
- a. Does the city have any information or reports or assessments performed by the city or their consultants on these panels?
- b. Does the city have a preferred point of contact for these panels?
- c. Is the city proposing to procure the Applied Materials panels for a selected project or for the contractor to do so?
- d. For a proposal to be considered is it mandatory that it use such panels? Is it mandatory to provide the use of these panels as an alternative?
- e. Is use of these panels being considered for all three suggested sites or solely for the landfill site?

Response – At the time the referenced report was prepared, the City had begun preliminary discussions with a potential vendor that would be utilizing the Applied Material thin film technology. As was discussed in the pre-bid conference, the City has no preferred technology seeking only the highest reliability and lowest cost available regardless of the material employed.

45. Please confirm that the RFP is for 10 MW_{AC} not 10 MW_{DC}

Ans. = AC.

END OF ADDENDUM NO. 3


Phil Golembiewski, P.E.
City Engineer

12-22-08

DATE

END OF DOCUMENT



E337P

SITE PLAN

APPENDIX 3

12/22/08

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Read Date	Due Date	Meter Read	Base Cost (\$)	T&D Charges (\$)	Current Due (\$)	Total Due (\$)	Billed Demand	kWh Usage
11/13/2008	12/18/2008	7894	\$622,816.73	\$45,772.43	\$668,589.16	\$668,589.16	10,944	6,749,206
10/13/2008	11/15/2008	7613	\$569,294.65	\$46,100.57	\$615,395.22	\$615,395.22	11,117	6,114,216
9/14/2008	10/18/2008	7358	\$803,396.61	\$48,360.50	\$851,757.11	\$851,757.11	12,240	7,707,921
8/13/2008	9/19/2008	7037	\$759,256.81	\$45,524.11	\$807,711.76	\$807,711.76	12,442	7,239,981
7/14/2008	8/16/2008	6735	\$673,238.52	\$45,625.77	\$721,727.90	\$721,727.90	12,413	7,951,323
6/12/2008	7/17/2008	6404	\$602,337.73	\$46,178.88	\$651,529.58	\$651,529.58	12,989	7,597,600
5/13/2008	6/18/2008	6087	\$606,474.19	\$46,533.54	\$656,071.50	\$656,071.50	13,277	7,739,589
4/14/2008	5/17/2008	5765	\$698,775.88	\$46,537.31	\$748,315.04	\$748,315.04	12,730	8,198,708
3/13/2008	4/18/2008	5423	\$598,083.20	\$45,348.22	\$646,342.29	\$646,342.29	12,528	7,073,722
2/13/2008	3/20/2008	5128	\$603,890.96	\$44,715.14	\$648,612.11	\$648,612.11	11,923	7,174,658
1/14/2008	2/17/2008	4829	\$619,050.34	\$50,134.86	\$668,998.91	\$668,998.91	12,269	7,674,812
12/13/2007	1/18/2008	4510	\$607,362.38	\$51,275.15	\$658,451.24	\$658,451.24	12,730	7,845,032
11/13/2007	12/21/2007	4183	\$635,572.47	\$52,112.36	\$687,498.54	\$687,498.54	13,392	8,165,114
10/14/2007	11/25/2007	3843	\$668,255.94	\$52,192.88	\$720,262.53	\$720,262.53	13,795	8,447,174
9/13/2007	10/18/2007	3491	\$696,192.18	\$51,949.76	\$747,955.65	\$747,955.65	13,738	8,104,682
8/14/2007	10/1/2007	3153	\$616,841.19	\$49,142.26	\$665,797.16	\$665,797.16	12,931	7,332,872
7/16/2007	8/19/2007	284.7	\$726,432.46	\$47,715.66	\$774,148.12	\$774,148.12	12,125	8,093,955
6/13/2007	7/19/2007	251	\$625,978.13	\$48,328.82	\$674,306.95	\$674,306.95	12,442	7,313,683
5/14/2007	6/16/2007	220.5	\$554,976.09	\$46,733.15	\$601,709.24	\$601,709.24	12,240	6,662,378
4/15/2007	5/20/2007	192.8	\$681,346.89	\$46,254.55	\$727,601.44	\$727,601.44	11,405	7,227,611
3/14/2007	4/19/2007	162.7	\$557,256.56	\$45,330.76	\$602,587.32	\$602,587.32	11,462	6,100,236
2/13/2007	3/21/2007	300.9	\$579,815.58	\$44,699.85	\$624,515.43	\$624,515.43	11,261	6,363,977
1/14/2007	2/16/2007	274.4	\$606,648.17	\$40,210.12	\$646,858.29	\$646,858.29	11,520	7,001,941
12/13/2006	1/17/2007	245.3	\$555,255.57	\$30,556.75	\$585,812.32	\$585,812.32	11,779	6,890,970

Load Profile
@ EWP

ASDREN90M3
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